

GOVERNMENT OF ANDHRA PRADESH
ABSTRACT

Industries & Commerce Department- M/s AP High Grade Steels Ltd(APHSL)- Borrowing loan of Rs.20.00 crore from AP Mineral Development Corporation Approval Accorded- Orders -Issued.

INDUSTRIES & COMMERCE (P&I) DEPARTMENT

G.O Rt.No.178

Date:04/09/2020
Read the following:

1. G.O Ms No. 106, Industries & Commerce (P&I) Department, Dt.04.12.2019.
2. Minutes of the 5 th Meeting of the Board of Directors of AP High Grade Steels Ltd., held on 16.04.2020.
3. From VC&MD, APMD, Letter No. APMDC/F&A/APHSL/2020-21, Dt/12.06.2020.
4. From MD, APHSL, Lr No. APHSL/202005/Loan/11/07/2 Dt.14.07.2020.

ORDER:

In the G.O. 1st read above, a new company was incorporated in the name of M/s AP High Grade Steels Ltd., a 100% owned by Government of Andhra Pradesh under Companies Act 2013 for the purpose of establishing an Integrated Steel Plant in YSR Kadapa District.

2. In the reference 2nd read above, it was proposed to take loan from AP Mineral Development Corporation(APMDC) for Rs.20.00 crore towards engaging various agencies for the establishment of 3.0 MTPA Integrated Steel Plant.

3. In the reference 3rd read above, the Executive Director, APMDC stated that to place the issue before their Board, it needs Govt. orders approving sanction of loan of Rs.20.00 crore to APHSL by APMDC @ 8% interest per annum which is to be reimbursable within one year from the date of last installment paid. Since it is a substantial amount, an agreement has to be entered into between APMDC and APHSL by producing a Bank Guarantee/Govt. Guarantee from APHSL for the total amount of loan.

(P.T.O)

4. In the reference 4th read above, the MD, APHSL has requested the Government for approval of borrowing the loan of Rs.20.00 crore from APMDC duly exempting the condition of producing a Bank Guarantee/Govt. Guarantee since both the organizations are AP State Govt. undertakings.

5. After Careful examination of the request of Managing Director, M/s A.P. High Grade Steels Ltd, Government hereby accord approval of borrowing the loan of Rs.20.00 crore from APMDC duly exempting the condition of producing a Bank Guarantee / Govt. Guarantee, since both the organizations are A.P. State Govt. undertakings.

6. The VC&MD, APMDC and MD, APHSL shall take further necessary action accordingly.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

R.KARIKAL VALAVEN
SPECIAL CHIEF SECRETARY TO GOVERNMENT

To
The Managing Director, M/s AP High Grade Steels Ltd., APIIC Towers,
Mangalagiri.
The VC& MD, AP Mineral Development Corporation, Kanur, Vijayawada.

Copy to:

The PS to Special Chief Secretary to Govt.&CIP, Ind &Com Dept.
The PS to Principal Secretary to Govt., Mines & Geology Dept., AP
Secretariat.
SF/SC.

//FORWARDED:: BY ORDER//

SECTION OFFICER